

LOCAL PENSION BOARD (LPB)

Minutes of the Meeting

Date: Tuesday 21 June 2022
Time: 10.00-12.30
Location: MS Teams

Present:	William Bourne Mike Allen Stephen Boon Sean Brosnan James Cherry Jasbir Sandhu Omolayo Sokoya Amy Sweeting Surendra Wanza	LPB Chair (" Chair ") Member representative Employer representative Employer representative Member representative Employer representative Member representative Employer representative Member representative
In attendance:	Helen Astle Peter Ballard Robert Branagh John Crowhurst Chris Dawson Anastasia Klimenko Janet Morville-Smith Alistair Peck Siobhán O'Shea	LPFA Chief Legal and Compliance Officer (" CLCO ") LPFA Funding and Risk Director (" FRD ") LPFA Chief Executive Officer (" CEO ") LPP Administration Ltd (" LPPA ") Commercial Director (item 2 only) LPPA Head of Engagement and Communications (item 2 only) LPFA Chief of Staff LPPA Head of Risk and Compliance Pensions Administration (training session only) LPFA Head of Communications and Engagement LPFA Governance Manager
Observer:	Fionnuala Corr	LPFA Communications and Engagement Manager

TRAINING: PENSION TRANSFERS

The Chair welcomed the LPPA Head of Risk and Compliance Pensions Administration who provided a presentation on pension transfers.

[The formal meeting commenced at 10:30]

1. LPB149 – INTRODUCTORY MATTERS

Submission

To present an update on several matters arising in relation to minutes and action points from the previous meeting held on 21 February 2022.

Discussion

1.1 The Chair welcomed all attendees to the meeting, including Fionnuala Corr, the new LPFA Communications and Engagement Manager, who was attending to observe.

1.2 Apologies

No apologies for absence had been received.

Declarations of interest

1.3 No new interests were declared in advanced of, or at, the meeting. The LPB noted the standing declaration by the LPFA CEO regarding any administration matters under discussion relating to his role as the LPFA shareholder appointed statutory director representative on the LPPA Board.

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Minutes, and actions points

- 1.4 The minutes from the last LPB meeting held on 21 February 2022 were approved and it was agreed that the Chair's electronic signature could be used to sign the document.
- 1.5 The LPB confirmed that it was satisfied with the status of all the action points reflected as completed or in progress. The LPFA Governance Manager provided an update on two ongoing actions. It was explained that as a decision had been taken to remain with the current Board portal provider for another 12 months, consideration on the feasibility of introducing an LPB reading room would be revisited later in the year as part of the project to move to a new provider. It was also confirmed that building passes for Union Street were no longer issued to individuals who only visited the office occasionally. Instead, when LPB members came to Union Street, they would be provided with a visitor pass and collected from reception.
- 1.6 LPB members were requested to contact the LPFA Governance Manager following the meeting if they identified any gaps in the 2021/22 Individual LPB Member Training Record so that this information could be included in the LPB Chair's Annual Report (item 8).

The LPB:

1. **Approved** the minutes of the meeting held on 21 February 2022 as a true and accurate record of that meeting, and the use of the Chair's electronic signature to confirm the minutes;
2. **Noted** the matters arising - action list including all the items which had been completed or closed; and
3. **Noted** the 2022/23 LPB Training Schedule.

2. LPB150 –LPPA QUARTERLY CLIENT PERFORMANCE AND MEMBER ENGAGEMENT REPORT

[The LPPA Commercial Director and LPPA Head of Engagement and Communications joined the meeting]

Discussion

- 2.1 The LPPA Commercial Director introduced the report, starting with an update on Project Pension Administration Core Evolution ("**PACE**"). It was explained that phase one of the migration to Universal Pensions Management ("**UPM**"), which had included nine clients including LPFA, had now been completed. Phase two migration plans had also been agreed, and the intention was to transfer all remaining clients onto UPM between October and December 2022. Other points to highlight were the fact that both the member portal, Pension Point, and the Employer Portal, were live and being actively used. In terms of what had gone well during phase one, the LPPA Commercial Director highlighted the fact that both the April and May payrolls had successfully been run through UPM and feedback from teams using the system had been generally positive. Those present were reminded of the fact that UPM had much greater functionality than was being used at the outset, and further modules would be activated over time to improve the member and employer experience.
- 2.2 Turning to the challenges experienced during phase one, it was acknowledged that although with the agreement of clients, service level agreements ("**SLA**") had been relaxed for three months post-implementation, more broadly the delivery of PACE had inevitably impacted upon LPPA's ability to perform against agreed SLAs. Whilst initial performance against SLAs had been low following the introduction of UPM, the position was explained to be slowly improving. Reasons were explained to include an initial dip in productivity due to staff getting to grips with the new systems. In addition to this, a five day 'blackout' period was imposed ahead of each client transition whereby the bulk of administration activity was put on hold until the introduction of UPM, which in turn created a spike in case volumes post implementation.
- 2.3 Furthermore, the LPB heard that a change in the way in which performance data was calculated in UPM was impacting on LPPA's ability to deliver against SLAs. To this end, further engagement with Civica was required in order to determine the most appropriate way to calculate performance data going forward. In response to a question raised, the LPPA Commercial Director acknowledged that it was likely that nine months' worth of system data would be necessary before it was possible to demonstrate an improvement in case processing times. In response to a query raised, it was clarified that as with phase one, there would be a three month period during which SLAs would be relaxed, albeit as there were a number of large clients to be transferred during this second tranche, it was still likely that there would be some negative impact on

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SLAs. Although there had been a higher than anticipated number of hypercare issues post go-live, many of these initial issues had since been addressed with Civica, and confidence was high that fewer such issues would be encountered in phase two.

- 2.4 The LPPA Commercial Director recognised the issues that had been experienced with regard to the Pensions Helpdesk where call waiting times remained significantly higher than the non-contractual target of four minutes, and the length of time taken to respond to web enquires having also increased. The LPB heard that the average call wait time had reduced to five and a half minutes so the trajectory was improving. In addition, LPPA had made a number of tactical improvements, including changes to the process for handling emails, which had already brought the wait times down and it was anticipated that within the next month this would return to 48 hour target for responding to web forms.
- 2.5 A number of comments were made about delays in obtaining responses from LPPA on queries raised by employers in using UPM, to which the LPPA Commercial Director clarified that one issue was that unlike the previous system, the majority of UPM issues had to be resolved upfront before a file would be accepted. Whilst this represented a significant change in administration approach, assurances were given that in the longer term, the process would be easier for users to navigate. In response to a question raised, the LPPA representatives agreed to add into the client report information for employers on the anticipated timeframe in which they could expect to receive responses to UPM queries. **ACTION: J Crowhurst/ C Dawson.**
- 2.6 In discussion, two LPB employer representative members highlighted specific issues they had encountered in using UPM, following which it was agreed that the LPPA representatives would liaise with individual LPB members offline regarding specific issues raised on UPM functionality, and delays in obtaining responses to queries raised. **ACTION: J Crowhurst/ C Dawson/ S Boon/ S Brosnan.** The LPPA representatives also agreed to follow up with one LPB member offline to clarify how the introduction of UPM had addressed the weaknesses of the previous pension administration system. **ACTION: J Crowhurst/ C Dawson/ O Sokoya.**
- 2.7 In response to a question raised, the LPPA Commercial Director advised that it was too early to identify significant efficiencies from increased automation of processes in UPM. However, there had already been a considerable increase in the level of management information that could be obtained from the system, which in turn was assisting in efforts to identify and make process improvements. UPM's bulk data import functionality was explained to be considerably better than the previous system.
- 2.8 Further to a query from the Chair, the LPB was informed that the 11,000 registrations for PensionPoint by 17 June 2022 represented just over 12 percent of members, which was ahead of the target of 10 percent within six months. The LPPA aim was to achieve a registration rate of 20 percent within 12 months of the introduction of UPM. The LPPA Commercial Director concurred with the suggestion made by one LPB member that the summer period would be a good time to push UPM communications out to employers, and welcomed two LPB members' (Sean Brosnan and Omolayo Sokoya) agreement to trial an employer UPM toolkit being developed by LPPA and provide feedback.
- 2.9 The LPPA Head of Engagement and Communications then provided an overview of member and employer engagement since the last meeting, advising that a considerable number of UPM training sessions had been delivered to employers during phase one and follow-up sessions planned for the remainder of the year. In addition, several member training sessions had been delivered in Q4 2021/22. It was noted that supporting employers through the year-end returns process had been a key area of focus over recent months. It was also confirmed that emails had been issued to all contactable retired LPFA members before of the statutory deadline of end of May notifying them that their P60 was available to access in PensionPoint.
- 2.10 In response to a question raised, LPFA Head of Communications and Engagement thought it unlikely that there had been any instances of the LPFA website having been cloned, but agreed to contact LPPI to confirm that the results of penetration testing corroborated this. **ACTION: A Peck**

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2.11 It was pointed out that since the departure of one member of staff at LPPA, the working party involving two members of the LPB, which acted as an informal sounding board for the LPPA providing administration services to the Fund, had ceased to meet despite having been a useful body in terms of engagement. Whilst explaining that this cessation of activity had been due to PACE implementation, the LPPA representatives committed to exploring restarting such a group and recognised the valued contribution of LPB members to the previous working party.

2.12 In conclusion, the LPPA representatives were thanked for attending the meeting.

[The LPPA Commercial Director and LPPA Head of Engagement and Communications left the meeting]

2.13 Once the LPPA representatives left the room the LPB continued a brief discussion on Project PACE. Whilst welcoming the progress made since the introduction of UPM, and that the new system offered considerable benefits to members in terms of improvements in the efficiency of pension administration processes, comments were made on the importance of ongoing updates over the coming months to provide LPB with assurance that these efficiencies were being realised. The need for more information on the mitigating actions taken to address specific issues identified as the project progressed was also commented upon. One member highlighted that the interaction between UPM and LPPA's workforce was also an important point to be monitored.

2.14 Noting that two LPB members were due to come to the end of their respective LPB terms of office in spring 2023, (and coincidentally had been working party members as discussed earlier), it was suggested that new members might put themselves forward for any newly created subsequent group. Any interested members were asked to contact the Chair or the LPFA Governance Manager following the meeting. The LPFA CEO also suggested that it would be beneficial for the LPFA Head of Communications and Engagement to be involved.

2.15 The Chair commented that recruitment and staff retention were major issues for the pensions industry more broadly. This point was reiterated by the LPFA CEO, who concluded the item that whilst so far the implementation of UPM had overall been successful, it was important to recognise that LPPA faced significant challenges over the coming months, including with regards to staff recruitment and retention. As such, it was anticipated that LPPA's compliance against SLAs was likely to be an issue over the next few months.

The LPB:

1. **Noted** the LPFA Quarterly Client Report and update for Q3 (2021/22) including the key performance indicator ("KPI") performance detailed within the report; and
2. **Noted** the Engagement and Communications activities over the reporting period.

3 LPB151 – LPFA CORPORATE COMMUNICATIONS UPDATE

Submission

To provide an update on corporate communications activity since the last meeting and summarise the main changes made to the Communications Policy, Accessibility Statement and the Environmental Policy.

Discussion

3.1 The LPFA Head of Communications and Engagement provided an overview of LPFA engagement activity since the last meeting, explaining that in terms of social media, the main focus had been on increasing LPFA's reach to stakeholders through LinkedIn. The LPB was also informed that since its launch, the LPFA website had been AA compliant, as required under the Public Sector Bodies (Websites and Mobile Applications (No.2) Accessibility Regulations 2018.

3.2 Responding to points raised in the 2021 Member Survey continued to be a key area of focus for the team. With this in mind, the LPFA Head of Communications was pleased to report that the first edition of LPFA Fund News had been launched to members in early June 2022. Additionally, LPFA had partnered with Tumelo, a well-recognised Fintech start up, to provide a transparency dashboard allowing members and other stakeholders to see more clearly how the LPFA Responsible Investment Policy linked to their

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pension. Further to questions raised, it was confirmed that whilst website traffic had doubled following publication of the dashboard, to date this had not translated to increased member queries about investments. The LPB was also advised that the dashboard only covered the Fund's listed equities investments, which constituted 46 percent of the overall portfolio. Whilst potentially possible to provide data on other asset classes in due course, this was not considered an option at this time due to the complexity of obtaining this information and the high costs involved.

- 3.3 It was noted that due to resource constraints within LPFA, the member financial guidance project was now targeted towards the end of the year.
- 3.4 The LPB was advised that planning was underway for the Fund Member Forum ("FMF") on 29 September 2022 and the Employer Forum on 16 November 2022. In response to a point raised by the Chair, the LPFA Head of Communications and Engagement agreed to consider any further LPB contribution to the Employer of Member Forums. **ACTION: A Peck** On the broader topic of engagement, the Chair observed that the potential for the LPB to assist with review of member communications could be better utilised. Following discussion, it was also agreed that the LPB would be provided opportunities to provide content for the new Fund News.
- 3.5 The LPFA Head of Communications and Engagement commented on positive engagement between the LPFA Communications team and one LPB employer representative member on the best methods of communicating LPFA's commitment to achieving a net zero portfolio by 2050 to employers.
- 3.6 The LPB was also presented with updated versions of the LPFA Communications Policy, Environmental Policy and Accessibility Statement, and it was confirmed that only minor amendments had been made to these documents. It was further noted that the Environmental Policy would be subject to a more comprehensive review in late 2023 once LPFA's Net Zero Action Plan had been published. Members with any comments on the documents were requested to feed these back to the LPFA Head of Communications and Engagement offline following the meeting.

The LPB:

1. **Noted** LPFA's communications activity over the period; and
2. **Noted** the LPFA's Communication Policy;
3. **Noted** the LPFA's Accessibility Statement; and
4. **Noted** the LPFA's Environmental Policy.

4 LPB152 – CEO REPORT

Submission

To present an update on Fund activities from the CEO since the last meeting held on 21 February 2022.

Discussion

- 4.1 The LPFA CEO introduced the report, which was taken as read. In response to a question raised, it was confirmed that PACE implementation had impacted a number of teams within LPFA, principally Finance and Employer Management Services ("EMS"). The need to carefully balance appreciation of the complexities of such a large scale transformation project, against ensuring that LPPA met service expectations also commented upon.
- 4.2 When asked by the Chair to comment, the LPFA FRD explained that the Return Objective of Consumer Price Index +3.6 percent per annum, which the LPFA Board had set for the Fund, was an overarching statement of intent rather than a target that LPPI would be expected to meet in the short-term, particularly in light of increasing inflation. More broadly, the risks posed by stagflation were noted.
- 4.3 Further information was sought on recent issues regarding Prudential's additional voluntary contribution ("AVC") service provision. In response, the LPFA CEO advised that both LPPA and LPFA had increased engagement with the Prudential in light of this issue. Attention was also drawn to a letter of apology from

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Prudential to the Local Government Association Head of Pensions, dated 29 April 2022 (set out in Appendix 9 to paper LPB154), which recognised that recent AVC service provision had been below standard, and outlining the actions being taken to make improvements.

- 4.4 It was confirmed that although a formal response had not yet been received from the Mayor's Office on the LPFA's Medium-Term Financial Plan ("**MTFP**") 2022-25, the informal feedback was that the Mayor had no significant comments to make that would require either document to be substantively reconfigured.

The LPB **NOTED** the updates contained in the CEO report related to the LPFA organisation and the LPFA Board.

5. LPB153– FUNDING AND INVESTMENT UPDATE

Submission

To provide LPB with an update on recent activity in relation to investment strategy and the actuarial valuation, and present the draft Investment Strategy Statement ("**ISS**") and the draft Funding Strategy Statement ("**FSS**") for comment.

Discussion

- 5.1 The LPFA FRD outlined that the LPFA Investment Committee ("**IC**") had recently reviewed the Fund's allocation to Diversifying Strategies and, following subsequent advice from LPPI, was recommending to the Board that this asset class be removed from the Fund. It was confirmed that the proposed amendments to the ISS simply formalised this proposed change to the structure of the Fund, and no wider changes to the investment strategy were being put forward at this time.
- 5.2 The LPB also heard that a Valuation Working Party comprising of three Board members and the LPFA CEO had been created by the LPFA Board to oversee the valuation project and assist it in its triennial valuation decisions. It was noted that the contribution rates for all employers would be reviewed as part of this process, with new rates coming into effect from 1 April 2023. Subject to LPFA Board approval of the draft FSS, it would be sent out to employers for consultation with the final recommendation to be presented to the Board in October for approval. Responding to a question raised, the LPFA FRD clarified that the highlighted sections of the FSS would be updated early in July pending confirmation of assumptions from the Fund Actuary. Whilst acknowledging that in the short term, inflationary pressures could have an impact on the Fund, it was explained that the assumptions used by the Fund actuary reflected investment market data, which indicated a more moderate expectation for inflation over the longer term.
- 5.3 LPB members are asked for feedback any additional comments on the ISS or FSS to the LPFA FRD after the meeting.

The LPB:

1. **Noted** the recent activity in relation to investment strategy and the actuarial valuation;
2. **Noted** the draft ISS; and
3. **Noted** the draft FSS.

6. LPB154– COMPLIANCE OVERSIGHT AND REGULATION REPORT

Submission

To provide LPB with an update on regulatory and compliance matters related to the Fund.

Discussion

- 6.1 The LPFA CLCO introduced the report, confirming that whilst there were no issues to report regarding contribution monitoring for the quarter, there had been three breaches during this period, one of which related to data and the other two to compliance with Code of Practice 14. Discussion focussed on one breach whereby a death case payment had been made to the wrong party due to two deceased members

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having the same name and date of birth. The LPFA CLCO advised that whilst investigations into the root cause remained ongoing, LPFA did not accept LPPA's preliminary conclusion. Responding to the concerns raised by one LPB member, the LPFA CLCO provided assurances that they would use a forthcoming meeting with the LPPA Bereavement Team as an opportunity to set out LPFA's expectations as an Administering Authority ("**AA**"), including the expectation that additional controls be introduced to avoid any future such errors occurring.

- 6.2 It was confirmed that there were no exceptions to report regarding the Local Pensions Partnership ("**LPP**") SLA for Q4 2021/22. However, the LPFA CLCO reported that of the three freedom of information ("**FOI**") requests received by LPPI on behalf of LPFA during the quarter, one had been responded to 66 days outside the statutory deadline and another two were also late. These delays were attributed to resourcing and communication issues within the LPPI Company Secretarial Team. The LPB was advised that following a review conducted by the new LPFA Compliance and Regulation Manager, additional measures had since been implemented to provide LPFA with increased oversight of the FOI process, which should avoid similar issues occurring in future. The LPB also noted the minor changes that had been made to the LPFA FOI Policy to update points of contact and process, and which had been approved by the LPFA CEO and the LPFA CLCO under delegated authority to make such factual changes.
- 6.3 Attention was drawn to the Compliance Monitoring Plan ("**CMP**"), which had been developed in accordance with LPFA's Compliance Framework to monitor regulatory compliance and audit actions. With reference to the fact that the CMP Update attached at Appendix 1 listed training as one low risk area, the LPFA CLCO was pleased to report that LPFA had recently introduced mandatory employee training through a new external training platform provider. Furthermore, LPFA Board and LPB members would be able to access the platform later in the year once training plans agreed. Responding to questions raised, the LPFA CLCO confirmed that mandatory employee training requirements would be tailored according to role, and the programme would be rolled out over a period of time, with staff compliance monitored. The LPB Chair queried whether the online training session would be relevant to LPB, to which the LPFA CLCO responded that members would only need to complete those modules deemed to be applicable.
- 6.4 The LPB noted the bi-annual statement on monitoring investment costs, which was attached at Appendix 2, and which confirmed that LPPI was compliant with the requirements of the Chartered Institute of Public Finance and Accountancy ("**CIPFA**"), the Markets in Financial Instruments II Directive ("**MiFID II**") and the Cost Transparency Initiative.
- 6.5 The CLCO advised Data Protection ("**DP**") Policy set out at Appendix 3 had been drafted in response to one of the recommendations for the 2021 internal audit of general data protection regulations ("**GDPR**") compliance. The LPB was advised that the subsequent DP Policy was a comprehensive document supported by a new record of processing activity and an information asset register. The CLCO explained that whilst historically reliance had been placed on LPP Group's policies, it had been decided that LPFA should develop its own DP and Information Security policies to set out its expectations with regard to outsourced IT services. Following several questions raised, the LPFA CLCO clarified that LPFA was listed as a joint controller with LPPA because it was ultimately responsible for pension administration data, and also processed data in connection with both employees and members. As such, work was in progress to establish formal data processing agreements between both parties. One LPB member also queried whether the DP Policy should formally list a Chief Information Risk Officer or information asset owners, to which the LPFA CLCO clarified that there was no regulatory requirement for LPFA to do so. Following discussion, the LPFA CLCO agreed to review the DP Policy before it was presented to the Board to consider points raised by LPB members on whether:
- the legal ground under which LPFA processes data are sufficiently clear;
 - in addition to the Data Protection Officer, any other roles relating to data protection and GDPR compliance need to be specifically included in the policy; and
 - when LPFA and LPPI are acting as joint controllers, the delineation of responsibilities in the event of a data breach is sufficiently clear. **ACTION: H Astle**
- 6.6 The LPB noted the LPFA Employer Discretions Policy attached at Appendix 5, and which had been reviewed and updated in accordance with regulatory requirements. The next step would be to publish an employer template for scheme employers to utilise in fulfilling their regulatory obligations in publishing an

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employer pensions discretions policy. The LPB was also advised that a separate discretions policy relating to LPFA's position as an AA was in the process of being reviewed and would be shared at the next meeting.

- 6.7 Finally, the LPB was presented with three governance documents for consideration, which had already been reviewed by the LPFA Audit and Risk Committee ("**ARC**"), and would be presented to the LPFA Board in July for approval. The LPFA CLCO explained that following Board approval, the Governance Compliance Statement (Appendix 6) and the Local Code of Corporate Governance (Appendix 8) would be included in the Pension Fund Annual Report 2021/22 (the "**Fund Annual Report 2021/22**"). However, following a decision by the LPFA Board in 2021 to separate the Annual Governance Statement ("**AGS**") (Appendix 7) from the Annual Report and publish it separately, the intention was to follow the same process this year.
- 6.8 One member of the LPB highlighted a reference in the AGS that in the 2021/22 the Annual Internal Audit Report and Opinion (year to 31 March 2021) had been "major improvements required", mainly attributable to the identification of nine high risk ratings, of which seven were critical risks, and thought that more detail should be provided on how these risks were being mitigated. In response, the LPFA CLCO acknowledged that the same comment had been made by ARC and, as such, further information on this point would be added before the AGS was presented to the Board.
- 6.9 LPB members were encouraged to view the recording of the Pensions Regulator ("**TpR**") Pensions Scams webinar from the spring as it provided valuable insights into how this matter was being addressed.
- 6.10 Responding to a query from the Chair, the LPFA FRD acknowledged that LPFA's investment costs were relatively high when compared to that of its peer group, clarifying that there was a number of reasons for this. Compared to peers, LPFA invested a higher proportion into private market assets, which required higher fees to be paid, but nonetheless these assets are an important part of the overall investment strategy. It was also important to recognise that investment costs fluctuated year to year depending on the lifecycle of investments, and had been disproportionately high over the past year due to performance fees in respect of some very high-performing private equity assets. Finally, it was confirmed that external benchmarking data due to be presented to the LPFA IC later that day demonstrated that overall LPPI was implementing investment strategy in a cost-effective way.

The LPB:

1. **Noted** compliance with TPR Code of Practice 14;
2. **Noted** the compliance oversight of LPP Group;
3. **Noted** the LPFA compliance update;
4. **Noted** the LPFA monitoring investment costs;
5. **Noted** the Freedom of Information Policy (minor updates to policy under delegated authority to CEO and CLCO);
6. **Noted** the Data Protection Policy;
7. **Noted** the Information Security Policy;
8. **Noted** the LPFA Employer Pension Discretions Policy;
9. **Noted** the LGPS Governance Compliance Statement;
10. **Noted** the Annual Governance Statement (AGS);
11. **Noted** the Local Code of Corporate Governance; and
12. **Noted** the regulation and horizon scanning updates.

7. LPB155 –LPFA ANNUAL REPORT

Submission

To present the draft Pension Administration, Responsible Investment and Governance sections of the 2021/21 Pension Fund Annual Report for comment.

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Discussion

- 7.1 The LPFA Head of Communications and Engagement outlined that the Fund Annual Report 2021/22 was due to be published in October 2022 and was currently in the process of being drafted. LPB members were encouraged to provide feedback on the three sections presented for comment to the LPFA Head of Communications and Engagement following the meeting.

The LPB:

1. **Noted** the the draft Pensions Administration section of the 2021-2022 Annual Report;
2. **Noted** the draft Responsible Investment section of the 2021-2022 Annual Report;
3. **Noted** the draft Governance section of the 2021-2022 Annual Report; and
4. **Noted** the the video of LPF's 2020-2021 Annual Report produced for members and stakeholders.

8. LPB156 –LPB CHAIR'S ANNUAL REPORT 2021/22

Submission

To present the draft LPB Chair's Annual Report 2021/22, the final version of which will be included in the Fund Annual Report 2021/22, for comment.

Discussion

- 8.1 The Chair noted the need to make one additional amendment to the report following the meeting remove the reference to the working party consisting of two LPB members, which provided an informal sounding board to the LPPA team, as it had not met during 2021/22.

The LPB:

1. **Approved** the draft LPB Chair's Annual Report for 2020/21 and recommend it to the LPFA Board for approval and inclusion in the Pension Fund Annual Report 2020/21; and
2. **Consented** to the making of minor amendments to the LPB annual report when it is included within the Pension Fund Annual report for editorial consistency.

9. LPB157 – GOVERNANCE, PUBLIC POLICY STATEMENT AND LPB FORWARD PLANNER

Submission

To present the LPFA Corporate and Strategic ("C&S") Board session minutes from 16 March 2022 (draft), and forward planner.

Discussion

- 9.1 The LPB **noted** the LPFA C&S Board session draft minutes from 16 March 2022 and the LPB forward planner.

10. ANY OTHER BUSINESS

- 10.1 At the request of the Chair, the LPFA CEO provided an overview of the key points from Teresa Clay, the Head of Local Government Pensions at the Department for Levelling Up, Housing and Communities' ("DLUHC") speech at the Pensions and Lifetime Savings Association ("PLSA") conference earlier in the week. The LPFA CEO shared that the delays with three planned consultations on the future of pooling, the Task Force on Climate-Related Financial Disclosures and the governments Levelling Up agenda had been acknowledged. However, there had been general disappointment amongst the conference participants at the confirmation that these three topics would now be the subject of one single consultation rather than one each given the significance of each of these areas. There was also reported to be some indications that DLUHC accepted the need for consolidation of some existing Local Government Pension Scheme ("LGPS") pools.

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- 10.2 In response to a question on the cost of living crisis, the LPFA CEO confirmed that both LPFA and LPPA were actively monitoring whether rising living costs were affecting members' decision making on pensions, for examples by choosing to opt-out; however, to date no such trends had been identified. It was further noted that one point that the LPFA Board would need to consider was whether LPFA should play a more active role in providing guidance to members. It was also confirmed that the LGPS currently operated auto-enrolment.
- 10.3 The date of the next meeting was scheduled on 20 September 2022 at the LPFA Union Street Office.
- 10.4 There being no further business, the Chair closed the meeting at 12.30.

_____ William Bourne _____
William Bourne, LPB Chair

21st September 2022 _____
Date: